## First Regular Session 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or *this style type* reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

## SENATE ENROLLED ACT No. 463

AN ACT to amend the Indiana Code concerning trade regulation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 7.1-3-18.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) A person may not sell or otherwise distribute in exchange for consideration a tobacco product **or electronic cigarette** at retail without a valid tobacco sales certificate issued by the commission.

- (b) A certificate may be issued only to a person who owns or operates at least one (1) of the following:
  - (1) A premises consisting of a permanent building or structure where the tobacco product **or electronic cigarette** is sold or distributed.
  - (2) A premises upon which a cigarette vending machine (as defined by IC 35-43-4-7) is located.
- (c) The commission may not enforce an action under this section regarding electronic cigarettes until after August 31, 2015. This subsection expires December 31, 2016.

SECTION 2. IC 7.1-3-18.5-2, AS AMENDED BY P.L.94-2008, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) A person who desires a certificate must provide the following to the commission:

(1) The applicant's name and mailing address and the address of the premises for which the certificate is being issued.



- (2) Except as provided in section 6(c) of this chapter, a fee of two hundred dollars (\$200).
- (3) The name under which the applicant transacts or intends to transact business.
- (4) The address of the applicant's principal place of business or headquarters, if any.
- (5) The statement required under section 2.6 of this chapter.
- (b) A separate certificate is required for each location where the tobacco products **or electronic cigarettes** are sold or distributed.
- (c) A certificate holder shall conspicuously display the holder's certificate on the holder's premises where the tobacco products **or electronic cigarettes** are sold or distributed.
- (d) Any intentional misstatement or suppression of a material fact in an application filed under this section constitutes grounds for denial of the certificate.
- (e) A certificate may be issued only to a person who meets the following requirements:
  - (1) If the person is an individual, the person must be at least eighteen (18) years of age.
  - (2) The person must be authorized to do business in Indiana.
- (f) The fees collected under this section shall be deposited in the enforcement and administration fund under IC 7.1-4-10.

SECTION 3. IC 7.1-3-18.5-6, AS AMENDED BY P.L.94-2008, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) If a certificate has:

- (1) expired; or
- (2) been suspended;

the commission may not reinstate or renew the certificate until all civil penalties imposed against the certificate holder for violating IC 35-46-1-10, IC 35-46-1-10.2, IC 35-46-1-11.5, or IC 35-46-1-11.7 have been paid.

- (b) The failure to pay a civil penalty described in subsection (a) is a Class B infraction.
- (c) If a certificate has been revoked, the commission may not reinstate or renew the certificate for at least one hundred eighty (180) days after the date of revocation. The commission may reinstate or renew the certificate only upon a reasonable showing by the applicant that the applicant shall:
  - (1) exercise due diligence in the sale of tobacco products **or electronic cigarettes** on the applicant's premises where the tobacco products **or electronic cigarettes** are sold or distributed; and



(2) properly supervise and train the applicant's employees or agents in the handling and sale of tobacco products **or electronic cigarettes.** 

If a certificate is reinstated or renewed, the applicant of the certificate shall pay an application fee of one thousand dollars (\$1,000).

(d) Notwithstanding IC 34-28-5-5(c), civil penalties collected under this section must be deposited in the youth tobacco education and enforcement fund established under IC 7.1-6-2-6.

SECTION 4. IC 7.1-3-18.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7. (a) A person who is required to have a certificate under this chapter and who sells or distributes tobacco products **or electronic cigarettes** without a valid certificate commits a Class A infraction. Each violation of this section constitutes a separate offense.

(b) Notwithstanding IC 34-28-5-5(c), civil penalties collected under this section must be deposited in the Richard D. Doyle youth tobacco education and enforcement fund established under IC 7.1-6-2-6.

SECTION 5. IC 7.1-3-18.5-8, AS ADDED BY P.L.94-2008, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. The commission may mitigate civil penalties imposed against a certificate holder for violating IC 35-46-1-10, IC 35-46-1-10.2, IC 35-46-1-11.5, IC 35-46-1-11.7, or any of the provisions of this chapter if a certificate holder provides a training program for the certificate holder's employees that includes at least the following topics:

- (1) Laws governing the sale of tobacco products and electronic cigarettes.
- (2) Methods of recognizing and handling customers who are less than eighteen (18) years of age.
- (3) Procedures for proper examination of identification cards to verify that customers are under eighteen (18) years of age.

SECTION 6. IC 7.1-3-18.5-9, AS ADDED BY P.L.94-2008, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. A certificate holder shall exercise due diligence in the supervision and training of the certificate holder's employees or agents in the handling and sale of tobacco products **and electronic cigarettes** on the holder's retail premises. Proof that employees or agents of the certificate holder, while in the scope of their employment, committed at least six (6) violations relating to IC 35-46-1-10.2(a) in any one hundred eighty (180) day period shall be prima facie evidence of a lack of due diligence by the certificate holder in the supervision and training of the certificate holder's employees or agents.



SECTION 7. IC 7.1-5-12-5, AS AMENDED BY P.L.70-2014, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. (a) Except as provided in subsection (c) and subject to section 13 of this chapter, smoking may be allowed in the following:

- (1) A horse racing facility operated under a permit under IC 4-31-5 and any other permanent structure on land owned or leased by the owner of the facility that is adjacent to the facility.
- (2) A riverboat (as defined in IC 4-33-2-17) and any other permanent structure that is:
  - (A) owned or leased by the owner of the riverboat; and
  - (B) located on land that is adjacent to:
    - (i) the dock to which the riverboat is moored; or
    - (ii) the land on which the riverboat is situated in the case of a riverboat described in IC 4-33-2-17(2).
- (3) A facility that operates under a gambling game license under IC 4-35-5 and any other permanent structure on land owned or leased by the owner of the facility that is adjacent to the facility.
- (4) A satellite facility licensed under IC 4-31-5.5.
- (5) An establishment owned or leased by a business that meets the following requirements:
  - (A) The business was in business and permitted smoking on December 31, 2012.
  - (B) The business prohibits entry by an individual who is less than twenty-one (21) years of age.
  - (C) The owner or operator of the business holds a beer, liquor, or wine retailer's permit.
  - (D) The business limits smoking in the establishment to either:
    - (i) cigar smoking; or
    - (ii) smoking with a waterpipe or hookah device.
  - (E) During the preceding calendar year, at least ten percent (10%) of the business's annual gross income was from
    - (i) the sale of cigars and the rental of onsite humidors; or
    - (ii) the sale of loose tobacco for use in a waterpipe or hookah device.
  - (F) The person in charge of the business posts in the establishment conspicuous signs that display the message that cigarette smoking is prohibited.
- (6) An establishment owned or leased by a business that meets the following requirements:
  - (A) The business prohibits entry by an individual who is less than twenty-one (21) years of age.



- (B) The owner or operator of the business holds a beer, liquor, or wine retailer's permit.
- (C) The business limits smoking in the establishment to cigar smoking.
- (D) During the preceding calendar year, at least ten percent (10%) of the business's annual gross income was from the sale of cigars and the rental of onsite humidors.
- (E) The person in charge of the business posts in the establishment conspicuous signs that display the message that cigarette smoking is prohibited.
- (6) (7) A premises owned or leased by and regularly used for the activities of a business that meets all of the following:
  - (A) The business is exempt from federal income taxation under 26 U.S.C. 501(c).
  - (B) The business:
    - (i) meets the requirements to be considered a club under IC 7.1-3-20-1; or
    - (ii) is a fraternal club (as defined in IC 7.1-3-20-7).
  - (C) The business provides food or alcoholic beverages only to its bona fide members and their guests.
  - (D) The business, during a meeting of the business's members, voted within the previous two (2) years to allow smoking on the premises.
  - (E) (D) The business:
    - (i) provides a separate, enclosed, designated smoking room or area that is adequately ventilated to prevent migration of smoke to nonsmoking areas of the premises;
    - (ii) allows smoking only in the room or area described in item (i); and
    - (iii) does not allow an individual who is less than eighteen
    - (18) years of age to enter into the room or area described in item (i); **and**
    - (iv) allows a guest in the smoking room or area described in item (i) only when accompanied by a bona fide member of the business.
- (7) (8) A retail tobacco store used primarily for the sale of tobacco products and tobacco accessories that meets the following requirements:
  - (A) The owner or operator of the store held holds a valid tobacco sales certificate issued under IC 7.1-3-18.5. on June 30, 2012.
  - (B) The store prohibits entry by an individual who is less than



- eighteen (18) years of age.
- (C) The sale of products other than tobacco products and tobacco accessories is merely incidental.
- (D) The sale of tobacco products accounts for at least eighty-five percent (85%) of the store's annual gross sales.
- (E) Food or beverages are not sold in a manner that requires consumption on the premises, and there is not an area set aside for customers to consume food or beverages on the premises.
- (8) (9) A bar or tavern:
  - (A) for which a permittee holds:
    - (i) a beer retailer's permit under IC 7.1-3-4;
    - (ii) a liquor retailer's permit under IC 7.1-3-9; or
    - (iii) a wine retailer's permit under IC 7.1-3-14;
  - (B) that does not employ an individual who is less than eighteen (18) years of age;
  - (C) that does not allow an individual who:
    - (i) is less than twenty-one (21) years of age; and
    - (ii) is not an employee of the bar or tavern;
  - to enter any area of the bar or tavern; and
  - (D) that is not located in a business that would otherwise be subject to this chapter.
- (9) (10) A cigar manufacturing facility that does not offer retail
- (10) (11) A premises of a cigar specialty store to which all of the following apply:
  - (A) The owner or operator of the store held holds a valid tobacco sales certificate issued under IC 7.1-3-18.5. on June 30, 2012.
  - (B) The sale of tobacco products and tobacco accessories account for at least fifty percent (50%) of the store's annual gross sales.
  - (C) The store has a separate, enclosed, designated smoking room that is adequately ventilated to prevent migration of smoke to nonsmoking areas.
  - (D) Smoking is allowed only in the room described in clause (C).
  - (E) Individuals who are less than eighteen (18) years of age are prohibited from entering into the room described in clause (C).
  - (F) Cigarette smoking is not allowed on the premises of the store.
  - (G) The owner or operator of the store posts a conspicuous sign on the premises of the store that displays the message that



cigarette smoking is prohibited.

- (H) Food or beverages are not sold in a manner that requires consumption on the premises, and there is not an area set aside for customers to consume food or beverages on the premises. The store does not prepare any food or beverage that would require a certified food handler under IC 16-42-5.2.
- (11) (12) The premises of a business that is located in the business owner's private residence (as defined in IC 3-5-2-42.5) if the only employees of the business who work in the residence are the owner and other individuals who reside in the residence.
- (b) The owner, operator, manager, or official in charge of an establishment or premises in which smoking is allowed under this section shall post conspicuous signs in the establishment that read "WARNING: Smoking Is Allowed In This Establishment" or other similar language.
- (c) This section does not allow smoking in the following enclosed areas of an establishment or premises described in subsection (a)(1) through  $\frac{(a)(10)}{(a)(11)}$ :
  - (1) Any hallway, elevator, or other common area where an individual who is less than eighteen (18) years of age is permitted.
  - (2) Any room that is intended for use by an individual who is less than eighteen (18) years of age.
- (d) The owner, operator, or manager of an establishment or premises that is listed under subsection (a) and that allows smoking shall provide a verified statement to the commission that states that the establishment or premises qualifies for the exemption. The commission may require the owner, operator, or manager of an establishment or premises to provide documentation or additional information concerning the exemption of the establishment or premises.

SECTION 8. IC 7.1-7-2-4, AS ADDED BY HEA 1432-2015, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. "Clean room" refers to the part of an e-liquid manufacturing facility where:

- (1) the mixing **and** bottling <del>and packaging</del> activities are conducted in secure and sanitary conditions in a space that is kept in repair sufficient to prevent e-liquid from becoming contaminated;
- (2) equipment used in the manufacturing process is easily cleanable, as defined in 410 IAC 7-24-27(a), in such a way that it protects against contamination of e-liquid, e-liquid containers, or e-liquid packaging materials; and
- (3) the cleaning and sanitizing of equipment is consistent with the



Indiana standards for public health and cleanliness that apply to commercial kitchens in the state.

SECTION 9. IC 7.1-7-4-1, AS ADDED BY HEA 1432-2015, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) A manufacturer of e-liquid shall obtain a permit from the commission before mixing, bottling, packaging, or selling e-liquid to retailers or distributors in Indiana.

- (b) The commission shall accept initial applications and issue manufacturing permits until June 30, 2016.
- (c) A manufacturing permit issued by the commission is valid for five (5) years.
- (d) An initial application for a manufacturing permit must include the following:
  - (1) Plans for the construction and operation of the manufacturing facility that demonstrate that the facility design is:
    - (A) designed to include a clean room space where all mixing **and** bottling <del>and packaging</del> activities will occur; and
    - (B) capable of meeting all of the security requirements contained in this article.
  - (2) A service agreement that:
    - (A) the applicant has entered into with a security firm;
    - (B) is valid for a period of five (5) years after the date of the permit application;
    - (C) provides for the security firm to provide service and support to meet the security requirements established by this article:
    - (D) requires the security firm to certify that the manufacturer meets all requirements set forth in IC 7.1-7-4-6(10) through IC 7.1-7-4-6(15);
    - (E) prohibits the security firm from withholding its certification as described in clause (D) because the security equipment of the applicant is not sold by or proprietary to the security firm; and
    - (F) is renewable for the entire length of time that the applicant holds a permit issued by the commission.
  - (3) Verified documents satisfactory to the commission from the security firm demonstrating that the security firm meets the following requirements:
    - (A) The security firm has continuously employed not less than one (1) employee for not less than the previous one (1) year period who is accredited or certified by both:
      - (i) the Door and Hardware Institute as an Architectural



Hardware Consultant; and

- (ii) the International Door Association as a certified Rolling Steel Fire Door Technician.
- (B) The security firm has at least one (1) year of commercial experience, in the preceding year, with the following:
  - (i) Video surveillance system design and installation with remote viewing capability from a secure facility.
  - (ii) Owning and operating a security monitoring station with ownership control and use of a redundant offsite backup security monitoring station.
  - (iii) Operating a facility that modifies commercial hollow metal doors, frames, and borrowed lights with authorization to apply the Underwriters Laboratories label.
- (4) The name, telephone number, and address of the applicant.
- (5) The name, telephone number, and address of the manufacturing facility.
- (6) The projected output in liters per year of e-liquid of the manufacturing facility.
- (7) The name, telephone number, title, and address of the person responsible for the manufacturing facility.
- (8) Verification that the facility will comply with proper manufacturing processes.
- (9) Written consent allowing the state police department to conduct a state or national criminal history background check on any person listed on the application.
- (10) Written consent allowing the commission, after a permit is issued to the applicant, to enter during normal business hours the premises where the e-liquid is manufactured to conduct physical inspections, sample the product to ensure the e-liquid meets the requirements for e-liquid set forth in this article, and perform an audit.
- (11) A nonrefundable initial application fee of one thousand dollars (\$1,000).
- (12) Any other information required by the commission for purposes of administering this article.

SECTION 10. IC 7.1-7-4-6, AS ADDED BY HEA 1432-2015, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) As used in this section, "tamper evident package" means a package having at least one (1) indicator or barrier to entry that, if breached or missing, can reasonably be expected to provide visible evidence to consumers that tampering has occurred.



- **(b)** A manufacturing facility shall comply with the following requirements:
  - (1) An e-liquid container must use a child proof cap that has the child resistant effectiveness set forth in 16 CFR 1700.15(b)(1).
  - (2) An e-liquid container must be secured using either ring seals or plastic wrap. use a tamper evident package. The tamper evident package feature must be designed to and remain intact when handled in a reasonable manner during the manufacture, distribution, and retail display of the e-liquid container.
  - (3) The label on an e-liquid container must identify the active ingredients.
  - (4) The label must include a separate designation if the product contains nicotine.
  - (5) The label or container must include a:
    - (A) batch number; and
    - (B) means for the commission to obtain the manufacturing date.
  - (6) The label must include a scannable code, including a quick response code, tied to the batch number as prescribed by the commission.
  - (7) An e-liquid container must be distributed by the manufacturer and sold by the manufacturer or the retailer by the earlier of either:
    - (A) the expiration or "best if used by" date; or
    - **(B)** within two (2) years of the date of manufacture.
  - (8) The manufacturing facility must conduct all mixing **and** bottling <del>and packaging</del> activities in a clean room.
  - (9) The manufacturer must take reasonable steps to ensure that an unauthorized ingredient is not included in any e-liquid produced for sale in Indiana.
  - (10) The manufacturer must take reasonable steps to ensure that all ingredients used in the production of e-liquid are stored in a secure area accessible only by authorized personnel.
  - (11) The manufacturer shall have a remotely monitored security system at the facility in areas where e-liquid is mixed, bottled, packaged, and stored.
  - (12) The manufacturer shall have an exclusive high security key system that limits access to areas where e-liquid is mixed, bottled, packaged, and stored to authorized personnel only.
  - (13) The manufacturer's facility must be subject to twenty-four
  - (24) hour video recording where e-liquid is mixed, bottled,



packaged, and stored. The video recordings must be retained for at least thirty (30) days.

- (14) The manufacturer must take reasonable steps to ensure that only authorized personnel have access to secured areas of the facility where e-liquid is mixed, bottled, and packaged.
- (15) The manufacturer must store and maintain three (3) ten (10) milliliter sample bottles from each production batch of more than two (2) liters for a period of not less than three (3) years in a secure, limited access area with recorded video surveillance.
- (16) The manufacturer must submit to random audits of the facility and the manufacturer's samples and records by the commission.
- (17) The manufacturer must submit to random site visits by the commission.
- (18) The manufacturer may:
  - (A) own and control both the e-liquid manufacturing process and the bottling process; or
  - (B) subcontract with another manufacturer for the performance of the e-liquid manufacturing service, the bottling services, or both services.

However, both the manufacturer performing a service under clause (B) and the manufacturer for which the service is performed must meet the requirements of this article.

(19) The manufacturer or any person listed on the permit application may not have been convicted of a felony or an offense involving a controlled substance.

SECTION 11. IC 24-3-3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 11. (a) As used in this chapter, "units sold" means the number of individual cigarettes sold in Indiana by the applicable tobacco product manufacturer (whether directly or through a distributor, retailer, or similar intermediary or intermediaries) during the year in question. as measured by excise taxes collected by the state on packs (or "roll-your-own" tobacco containers) bearing the excise tax stamp of the state. The department of state revenue shall, in the manner provided by IC 4-22-2, adopt rules that are necessary to ascertain the amount of state excise tax paid on the cigarettes number of units sold of such tobacco product manufacturer for each year regardless of whether the state excise tax was due or collected.

(b) The term does not include cigarettes sold on federal military installations or that are otherwise exempt from state excise tax under federal law.



- (c) For purposes of this section, concerning cigarettes for which the state cigarette or other tobacco product tax is paid, the cigarettes are considered as being sold in Indiana:
  - (1) upon the affixing of the state cigarette tax stamp; or
  - (2) for "roll your own" tobacco, when the state tax on other tobacco products is paid.

SECTION 12. IC 24-3-5.4-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 18. (a) The department and the commission shall disclose to the attorney general any information received under this chapter and requested by the attorney general for purposes of determining compliance with and enforcing this chapter. The department, the commission, and the attorney general:

- (1) shall share with each other the information received under this chapter; and
- (2) may share the information received under this chapter with other federal, state, or local agencies only for purposes of enforcing this chapter or a corresponding law in another state.
- (b) Notwithstanding any other law:
  - (1) the department, the commission, or the attorney general may provide information received under section 17 of this chapter to a court, an arbitrator, or a data clearinghouse or similar entity:
    - (A) for the purposes of making calculations required by the master settlement agreement and related settlement agreements; and
    - (B) with counsel for the parties;
  - upon the execution of a protective order approved by the attorney general; and
  - (2) any tobacco sales data provided from an outside party and received under the master settlement agreement must be treated as confidential under IC 5-14-3-4(a)(4) and IC 5-14-3-4(a)(5).

SECTION 13. IC 24-3-7 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]:

**Chapter 7. Nicotine Liquid Container Packaging** 

- Sec. 1. This chapter does not apply to any product that:
  - (1) has been approved or certified by the United States Food and Drug Administration for sale:
    - (A) as a tobacco cessation product;
    - (B) as a tobacco dependence product; or
    - (C) for another medical purpose; and



- (2) is marketed and sold for an approved purpose referred to in subdivision (1)(A) through (1)(C).
- Sec. 2. As used in this chapter, "child resistant packaging" means packaging that:
  - (1) is designed or constructed so that it is significantly difficult for children less than five (5) years of age to:
    - (A) open the package; or
    - (B) obtain a toxic or harmful amount of substance from within the package;

within a reasonable time; but

- (2) is not difficult for adults to use properly.
- Sec. 3. As used in this chapter, "commission" refers to the alcohol and tobacco commission created by IC 7.1-2-1-1.
- Sec. 4. As used in this chapter, "electronic cigarette" means a device that is capable of providing an inhalable dose of nicotine by delivering a vaporized solution. The term includes the components and cartridges of an electronic cigarette.
- Sec. 5. (a) As used in this chapter, "electronic delivery device" means any product that:
  - (1) contains or delivers nicotine, lobelia, or any other substance intended for human consumption; and
  - (2) can be used by a person to simulate smoking in the delivery of nicotine, lobelia, or any other substance through inhalation of vapor from the product.
- (b) The term includes any component part of a product described in subsection (a), whether or not the component part is marketed or sold separately.
- Sec. 6. (a) As used in this chapter, "nicotine liquid container" means a bottle or other container that:
  - (1) contains a nicotine liquid or another substance containing nicotine; and
  - (2) is sold, marketed, or intended for use with an electronic cigarette or other electronic delivery device.
- (b) The term does not include a container containing nicotine in a cartridge that is sold, marketed, or intended for use with an electronic cigarette if the cartridge:
  - (1) is prefilled and sealed by the manufacturer; and
  - (2) is not intended to be opened by the consumer.

Sec. 7. A person may not manufacture, sell, or distribute:

- (1) a liquid or gel substance containing nicotine; or
- (2) a nicotine liquid container;

unless the product is contained in child resistant packaging.



- Sec. 8. (a) If the commission discovers any product sold or distributed in violation of this chapter, the commission may seize and take possession of the product. The commission shall destroy products seized under this subsection.
- (b) The commission may impose a civil penalty on any person who sells or distributes a product in violation of this chapter. However, the civil penalty may not exceed the greater of:
  - (1) five hundred percent (500%) of the retail value of the product sold or distributed in violation of this chapter; or
  - (2) five thousand dollars (\$5,000).
- SECTION 14. [EFFECTIVE JULY 1, 2015] (a) The general assembly urges the legislative council to assign the following topics to the public policy interim study committee during the 2015 interim:
  - (1) Whether smoking should be prohibited in bars, casinos, and private clubs.
  - (2) The fiscal impact of prohibiting smoking in bars, casinos, and private clubs.
  - (3) Whether e-cigarettes should be:
    - (A) defined as tobacco products; and
    - (B) subject to smoking bans.
  - (4) E-cigarette taxation.
  - (5) The fiscal impact of an increase in the cigarette tax.
  - (6) Possible funding sources for tobacco use prevention and cessation programs.
  - (7) The impact of the tobacco tax on smoking rates and healthy living ratings relative to other states.
  - (8) The impact of smoking upon families and pregnancy.
  - (9) The costs incurred by the state as a result of:
    - (A) smoking during pregnancy; and
    - (B) smoking within families.
  - (10) The fiscal impact of changing existing laws regarding cigarette tax distribution.
- (b) If the topics described in subsection (a) are assigned to a study committee, the study committee shall issue a final report to the legislative council containing the study committee's findings and recommendations, including any recommended legislation concerning the topics, in an electronic format under IC 5-14-6 not later than November 1, 2015.
  - (c) This SECTION expires December 31, 2015.



President of the Senate	
President Pro Tempore	
Speaker of the House of Represen	ıtatives
Governor of the State of Indiana	
Date:	Time:

